

## TERMS OF REFERENCE

### Arena Focus Study Group

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#### I INTRODUCTION

The City of Rossland's arena has been experiencing stagnant revenues and rising operating expenses. Consequently, the taxpayer's subsidy of the facility has been increasing.

The Public Works Manager indicated a need for significant capital investment in coming years to maintain the facility in good working condition. More work needs to be done to develop an accurate asset management plan for the arena but it is anticipated that additional taxpayer money, grants or more borrowed funds will be required in the near future to keep the facility in acceptable operating condition.

Public Works staff has responsibility for day-to-day operations. Overall management of the facility is a shared responsibility of the CAO, CFO, Recreation Department and Public Works Department. Consequently, there is not one entity is responsible and accountable for managing the business of the arena facility. The management has been handled by separate departments depending on the need.

This Terms of Reference provides an outline for the establishment of a Task Force to improve the management of the arena and for determining how to turnaround the fortunes of the facility.

**Purpose:**

To determine how to improve the viability of the Rossland arena by increasing usage and revenue of the facility by working with community members, City of Rossland staff and Council members.

**Members:**

- The Task Force shall consist of three representatives of Council;
- The Task Force shall consist of up to eight volunteer members of the public; appointed by Council.
- One staff member will be appointed as a non-voting member of the Task Force.

**Structure:**

- A task force chairperson will be elected by the members of the group.
- Voting: each voting member has one vote (1) however, where possible decisions shall be by consensus.
- A majority of the members shall constitute quorum.
- The group will set their own schedule and meet as necessary.

**Duties:**

- To undertake the tasks set out in the Work Plan Outline, (detailed below) and such other work as determined by the Task Force.
- To make recommendations to Council to improve the arena, create ideas to increase revenue and usage and to identify the steps needed to pursue such recommendations.
- To explore areas in which a society or association could collaborate with the City to achieve the purpose as described above.
- To explore establishing a permanent society or association to run or assist in the management of the facility.

**Term:**

- Term will commence as soon as the members are selected.
- Task Force will serve and be dissolved at the will of Council, but the intention is that it will serve until the end of the current term of Council or until a permanent society or association is established.
- Members' appointment may be revoked by a motion of Council.
- Should a permanent society or association be created, it will operate as a separate entity from the City.

**Work Plan Outline:****I. MARKET ANALYSIS**

- For past 3-5 years, break down of hourly, seasonal usage as detailed as possible.
- For 2016-2017 season, break down hourly usage by user group, fees by group, discounts if any, when and by whom were reservations made, how user groups came to make seasonal or short term rental agreements, how fees were set, how payments were made, to whom at the city, etc.
- Potential new users, schedule of users, potential revenue, how they might best be contacted, what kind of agreements they require, etc.  
(Regular season user groups, special occasion users, tournaments, etc.)

**II. COMPETITIVE ANALYSIS**

- Summarize offerings at competitor arenas (Beaver Valley, Trail Memorial Centre, Castlegar, Grand Forks) Compare product offering, season length, etc.
- Summarize Prices: discount policies - seasonal vs one-time booking, winter vs no-ice use, lounge service, skate sharpening service, skate rental service, etc.

- III. HOURLY SALES OBJECTIVES BY SEASON
- Revenue Target
  - User Hours Target
- IV. WHAT CHANGES NEED TO BE MADE TO THE ARENA, PHYSICAL PLANT, SERVICES, HOURS OF OPERATION, SEASONALITY, ETC., TO ATTAIN TARGET USAGE
- Identify needs of each user potential user group to determine what are requirements for customer satisfaction
  - Identify any obvious changes that would attract additional users
- V. WHAT IS PRICE SCHEDULE TO ATTAIN USAGE AND REVENUE TARGETS
- Price schedules to be established with variation by time of day, number of committed days, type of user group, etc.
  - Manager must have flexibility in pricing to compete and secure “acceptable” rental agreements
- VI. HOW CAN CUSTOMERS MORE EASILY BUY ARENA SERVICES
- What is the existing process for renting the arena services
  - How can the process be improved for renting ice or space
- VII. SALES PLAN FOR KEEPING EXISTING USERS AND INCREASING USAGE
- List of potential user groups and contacts
  - How to communicate with potential customers and timing
  - Sales package to be sent electronically to potential customers
  - Electronic rental agreement, including insurance binder
  - Master schedule for commitments
  - Promotion plan for selling available hours (on line advertising, in arena advertising, personal contacts, working with Tourism Roseland and user groups for tournaments and special events, etc)
- VIII. IDEAS FOR REDUCING OPERATING COSTS
- With User Group representatives, identify and test viability of ideas
  - With Public Works and Recreation staff, identify and test viability of ideas
- IX. HOW WILL THE FACILITY BE MANAGED AND STAFFED TO MEET SALES TARGETS
- Working with staff to develop recommendations for staffing to meet target demand
  - Working with staff to develop recommendations to determine the operating model that will enable the facility to service more customers at lower per person operating costs to meet desired operating cost and prescribed taxpayer subsidy.
- X. BUDGET REVENUE AND EXPENSES
- Revenue and expense for each of past 3 – 5 years
  - Budget for next year 2017-2018
  - Budget for following two years 2018-19 and 2019-2020
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